

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2189 - HB 2428

January 30, 2012

SUMMARY OF BILL: Authorizes a local government, upon approval by a legislative body, to levy a privilege tax up to \$25 on all civil and criminal cases to be used for the purpose of improving technologies associated with collecting, receiving, and maintaining records for local law enforcement agencies. When expenses incurred for the project are recovered, the tax may no longer be levied.

ESTIMATED FISCAL IMPACT:

**Increase Local Revenue – \$1,929,800/FY12-13/Permissive
\$1,929,800/FY13-14/Permissive
Exceeds \$890,500/FY13-14/Permissive**

Increase Local Expenditures – Exceeds \$4,750,000/One-Time/Permissive

Assumptions:

- The total cost for local law enforcement to collect, receive, and maintain electronic records for sheriff offices, jails, and municipal or metropolitan police departments is unknown.
- The average cost for a county to update technology is estimated to be at least \$50,000.
- The total permissive increase in local expenditures for completing the project is estimated to exceed \$4,750,000 (\$50,000 x 95 counties).
- The Administrative Office of the Courts (AOC) was unable to provide the exact number of annual civil and criminal cases heard within the state.
- Each legislative body will choose to adopt and impose this tax.
- There are 31 judicial districts within Tennessee.
- There are at least four judges per judicial district.
- The total number of judges in Tennessee is estimated to be 124 (31 x 4).
- The average number of new cases assigned to each judge is estimated to be five per day.
- Given 249 workdays per year, the total number of civil and criminal cases heard each year is estimated to be 154,380 (124 x 5 x 249).

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- The average privilege tax assessed is estimated to be \$12.50.
- The permissive increase in local revenue for FY12-13 is estimated to be \$1,929,750 (\$12.50 x 154,380); the permissive increase for FY13-14 is estimated to be \$1,929,750 (\$12.50 x 154,380); and the permissive increase for FY14-15 is estimated to exceed \$890,500 (\$4,750,000 - \$1,929,750 - \$1,929,750).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', with a stylized flourish at the end.

Lucian D. Geise, Executive Director

/jdb